

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION**

Compression Labs, Incorporated,	)	
	)	
<i>Plaintiff,</i>	)	
v.	)	C.A. No. 2:04-CV-158-DF
	)	
Agfa Corporation, <i>et al.</i> ,	)	
	)	
<i>Defendants.</i>	)	

**PLAINTIFF’S OPPOSITION TO ONKYO U.S.A. CORPORATION’S MOTION TO  
DISMISS PURSUANT TO FED. R. CIV. P. 12(b)(7) OR, IN THE ALTERNATIVE,  
TO TRANSFER PURSUANT TO 28 U.S.C. § 1404(a)**

**I. INTRODUCTION**

Defendant Onkyo U.S.A. Corporation’s (“Onkyo”) Motion to Dismiss or Transfer relies entirely upon the Motions to Dismiss or Transfer that were filed by the remaining defendants in this case on July 6, 2004, and incorporates by reference all of the arguments made in those motions. Accordingly, Plaintiff Compression Labs, Inc. (“CLI”) asks that this motion be denied in its entirety for the reasons detailed in CLI’s Opposition Brief<sup>1</sup> filed on July 26, 2004 and in CLI’s Surreply Brief<sup>2</sup> filed on August 25, 2004, both of which are hereby incorporated by reference.

---

<sup>1</sup> *PLAINTIFF’S OPPOSITION TO DEFENDANTS’ MOTION TO DISMISS UNDER FED. R. CIV. P. 12(B)(7), OR, IN THE ALTERNATIVE, MOTION TO TRANSFER* (Dkt. # 70) (hereafter referred to as “CLI’s Opposition Brief”)

<sup>2</sup> *PLAINTIFF’S SURREPLY BRIEF IN DEFENDANTS’ MOTION TO DISMISS UNDER FED. R. CIV. P. 12(B)(7), OR, IN THE ALTERNATIVE, MOTION TO TRANSFER* (Dkt. # 98) (hereafter referred to as “CLI’s Surreply Brief”).

## II. DISMISSAL UNDER RULE 12(B)(7) IS NOT PROPER

Onkyo argues that this case should be dismissed because General Instrument Corp. (“GI”) is not a party in this lawsuit. This argument fails for several reasons. First, CLI alone has the sole, exclusive, and unrestricted right and power to litigate, license, and defend the patent-in-suit<sup>3</sup> in the JPEG field-of-use. GI is therefore not an indispensable party. Second, even if GI is a necessary and indispensable party, this case can only be dismissed if it is **not feasible** to join GI under Rule 19 of the Federal Rules of Civil Procedure. Joinder of GI under Rule 19 is **feasible** in this case. Therefore, at most, Rule 19 provides Onkyo with a remedy in the form of an order that GI be joined as a party. But, even this remedy is unwarranted because GI is not a necessary party, much less an indispensable one. CLI’s detailed analysis of these issues are provided in CLI’s Opposition Brief and Surreply Brief.

## III. THIS COURT IS THE APPROPRIATE FORUM FOR THIS CASE

Onkyo’s motion to transfer this case to the District of Delaware pursuant to 28 U.S.C. § 1404 also fails because Onkyo has not carried its heavy burden of showing that the interest of justice and the convenience of the witnesses and parties will be better served by transferring this action. *See Z-Tel Communications, Inc. v. SBC Communications, Inc.*, --- F.Supp.2d ----, 2004 WL 1895110 at \*3, 11 (E.D.Tex. Aug 06, 2004) (*citing and quoting Syndicate 420 at Lloyd's London v. Early American Ins. Co.*, 796 F.2d 821, 828 (5th Cir.1986) (“the next step is to proceed to a balancing of the public and private interest factors, bearing always in mind that ‘unless the balance is strongly in favor of the defendant, the plaintiff’s choice of forum should rarely be disturbed.’”)); *see also Datamize, Inc. v. Fidelity Brokerage Services, LLC*, 2004 WL 1683171 at \*12 (E.D.Tex.2004) (“the private and public interest factors of 28 U.S.C § 1404(a) weigh against transfer of this case”).

---

<sup>3</sup> U.S. Patent No. 4,698,672, hereafter “the ‘672 Patent.”

CLI's detailed analysis of the factors considered for a transfer under § 1404(a) are detailed in CLI's Opposition Brief.

#### IV. CONCLUSION

For reasons set forth and detailed in CLI's Opposition Brief and Surreply Brief, CLI requests that this Court deny Onkyo's motion to dismiss and deny Onkyo's motion to transfer this case to the District of Delaware.

Respectfully submitted,  
Compression Labs, Inc.



Dated: September 7, 2004

By: \_\_\_\_\_

Stephen G. Rudisill (*attorney-in-charge*)  
Illinois Bar No.: 2417049  
Texas Bar No.: 17376050  
srudisill@jenkens.com

John C. Gatz  
Illinois Bar No.: 6237140  
jgatz@jenkens.com

Russell J. Genet  
Illinois Bar No.: 6255982  
rgenet@jenkens.com

Justin D. Swindells  
Illinois Bar No.: 6257291  
jswindells@jenkens.com

JENKENS & GILCHRIST, P.C.  
225 West Washington Street, Suite 2600  
Chicago, Illinois 60606  
Tel. (312) 425-3900  
Fax (312) 425-3909

S. Calvin Capshaw III  
Texas Bar No.: 03783900  
ccapshaw@mailbmc.com

BROWN, McCARROLL, L.L.P.  
1127 Judson Road, Suite 220  
Longview, Texas 75601-5157  
Tel. (903) 236-9800  
Fax. (903) 236-8787

Franklin Jones, Jr.

Texas Bar No.: 00000055

maiezieh@millerfirm.com

JONES & JONES, Inc., P.C.

201 West Houston Street (75670)

P.O. Drawer 1249

Marshall, Texas 75670-1249

Tel. (903) 938-4395

Fax. (903) 938-3360

Otis Carroll

Texas Bar No.: 03895700

Jack Wesley Hill

Texas Bar No.: 24032294

nancy@icklawn.com

IRELAND, CARROLL & KELLEY, P.C.

6101 South Broadway, Suite 500

Tyler, Texas 75703

Tel. (903) 561-1600

Fax. (903) 581-1071

Carl R. Roth

Texas Bar No.: 17312000

cr@rothfirm.com

Michael C. Smith

Texas Bar No.: 18650410

ms@rothfirm.com

THE ROTH LAW FIRM

115 North Wellington, Suite 200

P.O. Box 876

Marshall, Texas 75670

Tel. (903) 935-1665

Fax (903) 935-1797

ATTORNEYS FOR PLAINTIFF

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). Any other counsel of record will be served by facsimile transmission and/or first class mail this 7<sup>th</sup> day of September, 2004.

A handwritten signature in cursive script, reading "Michael Smith", is positioned above a solid horizontal line.

---